



**MCI Telecommunications
Corporation**

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Donald J. Elardo
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MAR 31 1992

Federal Communications Commission
Office of the Secretary

March 31, 1992

Ms. Donna R. Searcy, Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: CC Docket No. 92-13

Dear Ms. Searcy:

MCI Telecommunications Corporation (MCI) hereby respectfully submits for inclusion in its initial "Comments" timely filed yesterday in the above-referenced proceeding copies of a letter that inadvertently was omitted as an attachment from said filing. The document, which is referenced at page 3, footnote 5, of MCI's Comments, is a letter from Francine J. Berry, AT&T, to yourself, dated August 7, 1989.

Please telephone me if you have any questions.

Sincerely,


Donald J. Elardo

Enclosures

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Francine J. Berry
Corporate Vice President - Law

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August 7, 1989

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Donna R. Searcy, Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

MAR 31 1990

Federal Communications Commission
Office of the Secretary

Dear Ms. Searcy:

Enclosed for filing is AT&T's formal complaint against MCI, showing that MCI has provided and continues to provide interstate common carrier services to selected customers at rates, and upon terms and conditions, that are not specified in MCI's tariffs, contrary to the requirements of Section 203 of the Communications Act.

Under Section 203 of the Act, AT&T is permitted to provide interstate services only pursuant to effective tariffs that have been duly filed with the Commission. Both the plain language of Section 203 and sound public policy underlying the Act compel the conclusion that MCI and other interexchange carriers, no less than AT&T, must likewise file tariffs specifying all the rates, terms and conditions of their interstate offerings. AT&T is aware that, in the Competitive Carrier proceedings (CC Docket No. 79-252), the Commission adopted rules providing for different regulatory treatment of so-called "dominant" and "nondominant" interexchange carriers. Among other things, the rules purport to make optional the filing of tariffs by "nondominant" carriers. The instant complaint challenges that holding as fundamentally inconsistent with the controlling, mandatory language of Section 203.

There are several reasons why AT&T is filing the complaint at this time. In the first place, at the time the Competitive Carrier rules were adopted, MCI argued vociferously in the Court of Appeals that Section 203 requires the filing of tariffs by all common carriers, "not just carriers with market power,"* and claimed that the Commission could not prevent unreasonable discrimination unless it "continue[d] to require the filing of tariffs."**

* Reply Brief of MCI, MCI v. FCC, No. 85-1030 (D.C. Cir.), p. 9.

** Brief of MCI, MCI v. FCC, supra, p. 25.

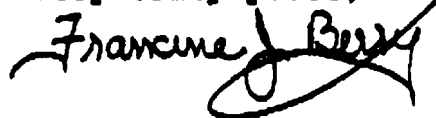
In light of these arguments, AT&T (expected) that MCI and other interexchange carriers would, in fact, continue to file tariffs for all their interstate offerings, notwithstanding the permissive approach taken by the Commission in the Competitive Carrier proceedings.

More fundamentally, at the time the Competitive Carrier rules were being fashioned, the interexchange market was in a state of rapid change and dynamic competitive growth. AT&T understood and expected that regulation of interexchange carriers would be adjusted steadily to reflect the development of competitive forces. AT&T thus viewed the Commission's "forbearance" from regulating "nondominant" carriers as a transitional, interim step that would lead quickly to further long-term reforms aimed at eliminating -- for all interexchange carriers -- unnecessary regulatory restraints. A rule that permits or perpetuates asymmetrical regulation, especially in a competitive market like that for interexchange services, hurts customers and unfairly penalizes some competitors -- contrary to the fundamental purposes of the Act and the Commission's policies.

Regrettably, AT&T's expectations have not been realized. The Commission's regulatory reforms have not kept pace with the fierce growth of interexchange competition. Rather than a temporary, transitional measure, the Competitive Carrier structure has become a seemingly-permanent imbalance that imposes onerous regulatory requirements uniquely and unfairly on one participant in an intensely-competitive market. Further, as the instant complaint confirms and as AT&T has recently ascertained, MCI and other competitors have gained unwarranted advantages in the marketplace by selectively providing services on an off-tariff basis.

For these reasons, AT&T believes that it has no reasonable alternative but to file this complaint. AT&T's paramount objective has been and remains to achieve a fair, effective regulatory structure that permits the full benefits of competition to be enjoyed by all customers -- regardless of which interexchange carriers they choose. Until such a structure is in place, however, AT&T is equally committed to ensuring that AT&T and the public are not unduly penalized by asymmetrical regulation of similarly-situated competing providers.

Very truly yours,



Enclosure